

GREATER NEW HAVEN

Chamber of Commerce

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Testimony of the
Greater New Haven Chamber of Commerce
To the
Planning and Development Committee
Friday, March 21, 2014

HB 5583, AAC The Payment Of Real Property Taxes By Certain Institutions Of Higher Learning And Hospital Facilities

Senator Osten, Rep. Rojas, members of the Planning and Development committee, the Greater New Haven Chamber of Commerce (GNHCC) appreciates the opportunity to submit testimony in Opposition to HB 5583, An Act Concerning The Payment Of Real Property Taxes By Certain Institutions Of Higher Learning And Hospital Facilities. HB 5583 would make certain private institutions of higher education and hospitals liable for the payment of real property taxes. Although the bill seeks to provide a mechanism for the state to provide grants to reimburse institutions and hospitals for such payment, in short this bill is just yet another tax on hospitals in just three short years.

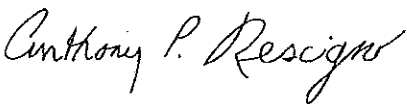
YNHH is the second largest employer in the City of New Haven. In addition to being a significant economic driver for our city and region, YNHHS contributes much to our local communities. Habitat home building is just one example. YNHH also cares for many of the State's Medicaid patients and provide millions in free and uncompensated care to those needing their services with no ability to pay for them.

Connecticut hospitals that have already felt the impact of several funding cuts. In 2011, the legislature enacted a hospital tax on patients, followed by a \$103 million funding reduction in 2012 – funding that would have offset some of the losses hospitals incur from treating uninsured patients. The financial burden of paying property taxes to local governments, coupled with the adverse impacts of both the hospital tax and state funding cuts, threatens the ability of not only YNHH, but hospitals across the state and this in turn will affect access and services for all patients.

YNHH along with other Connecticut hospitals play a unique and critically important role in their communities. They exemplify the exact reason that the property tax exemption was created and as such are worthy of continued exemption from property tax.

The GNHCC certainly understands that municipalities have also been impacted by funding reductions, and they must balance their many competing priorities with limited resources. Governor Malloy has proposed an increase in PILOT funding, and we respectfully encourage you to support that proposal and keep the current property tax exemption for colleges and hospitals in place.

Thank you for your consideration.



President
Greater New Haven Chamber of Commerce